Thursday, January 15, 2009

## Public Hearings and Possible Actions RECOMMENDATION FOR COUNCIL ACTION

Item No. 103

**Subject:** Conduct a public hearing and consider an ordinance consenting to the annexation of approximately 0.7 acres into Senna Hills Municipal Utility District ("MUD"), approving the Third Amendment to the First Amended and Restated Agreement Concerning Creation and Operation of Senna Hills Municipal Utility District, and providing a site specific amendment to Chapter 25-8, Subchapter A, Article 12 (Save Our Springs Initiative) for the 0.7 acre tract. The 0.7 acre tract lies within the area known as the Barton Springs Zone in which the City's Save Our Springs Initiative regulations ("SOS") apply.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Patrick Murphy, 974-2821; Julia Lee, 974-3357

Boards and Commission Action: To be reviewed by the Planning Commission on January 13, 2009.

Senna Hills Municipal Utility District ("MUD") submitted an application requesting the City's consent to the annexation of approximately 0.7 acres into the MUD's boundaries. This tract is situated in the City's extraterritorial jurisdiction in the Drinking Water Protection Zone and in the Barton Creek watershed. The site is located at 10324 FM 2244 and the balance (.5 acres) of this 1.2-acre parcel ("Property") is currently a part of the MUD. The Property is the subject of litigation regarding its development and use. The parties are the property owner, the MUD and the City.

This request is the result of an agreement between the property owner and the MUD. This agreement includes the execution of a restrictive covenant. The MUD Board voted to annex the property at its regular May 21, 2008 meeting subject to the approval by the City. The current use on this property is a landscape company, which will continue after annexation by the MUD. The property owner and the MUD have further agreed to limit the future use of this Property as follows:

- a. ADMINISTRATIVE AND BUSINESS OFFICES, being the use of a structure on the Property for business offices engaged in the provision of executive, management, or administrative services (for example: real estate, insurance, property management, investment, personnel, travel, and secretarial services).
- b. ART GALLERY, being the use of a structure on the Property for the display or sale of works of art.
- c. BED AND BREAKFAST RESIDENTIAL, being the use of a residential structure or structures on the Property to provide rooms and meals for temporary lodging for overnight guests on a paying basis.
- d. MULTIPLE DWELLING RESIDENTIAL, being the use of the Property for multiple dwelling units, other than a mobile home or manufactured home, under common ownership.
- e. PROFESSIONAL OFFICE, being the use of a structure on the Property for the provision of professional or consulting services in the fields of law, architecture, design, engineering, accounting, or similar professions.
- f. RETAIL, being the use of a structure on the Property for the sale or rental of goods for personal or household uses; provided such use shall not include the operation of a convenience store, drug store, grocery store, liquor store, or other service station.

If approved as part of this annexation request, a restrictive covenant to be filed in the Official Public Records of Travis County and executed for the City's benefit will subject the Property to the following requirements:

- a. Property owner must enter into a Unified Development Agreement, tying the two portions of the 1.2 acre tract together for City site plan review.
- b. Property owner must submit a complete site plan not later than May 15, 2009, and must adhere to the site plan process to obtain a released site plan.
- c. Property must reduce pollutant load equal to reduction provided by 40% downstream buffer and reduce pollutant load to offset impervious cover added after August 1992 (SOS enactment).
- Property owner must post fiscal security to ensure installation of water quality controls.
- e. Property owner must obtain and maintain a Barton Springs Zone operating permit for the water quality controls.
- f. Once the Property is provided wastewater service by the MUD, the septic system must be discontinued.

The City evaluates requests for annexation into a MUD in terms of:

- Impact on the City's annexation program
- Land Use impacts
- The City's ability to provide direct water and/or wastewater service
- The terms of the City's consent agreement/contract(s) with the water district
- Environmental impacts
- Whether the proposed annexation would induce development within the DWPZ beyond what would occur otherwise.

The request was reviewed by the Austin Water Utility, Watershed Protection and Development Review, and Neighborhood Planning and Zoning Department staff. Staff determined that:

- Annexation of the tract into the MUD will not affect the City's annexation plans.
- The City does not have water and wastewater facilities in the vicinity capable of providing service to this area and provision of water service to annexed area by LCRA will continue.
- This 0.7 acres is within the Barton Springs Zone, within which SOS applies.
- Once annexed into the MUD, the tract will become subject to the 1986 Comprehensive Watersheds Ordinance under the terms of the MUD Consent Agreement, plus the requirements imposed by the Restrictive Covenant. The SOS ordinance does not provide an exception for properties annexed into a MUD. As a result, this annexation requires a site specific amendment to the application of SOS.
- The restrictive covenants will resolve the litigation.